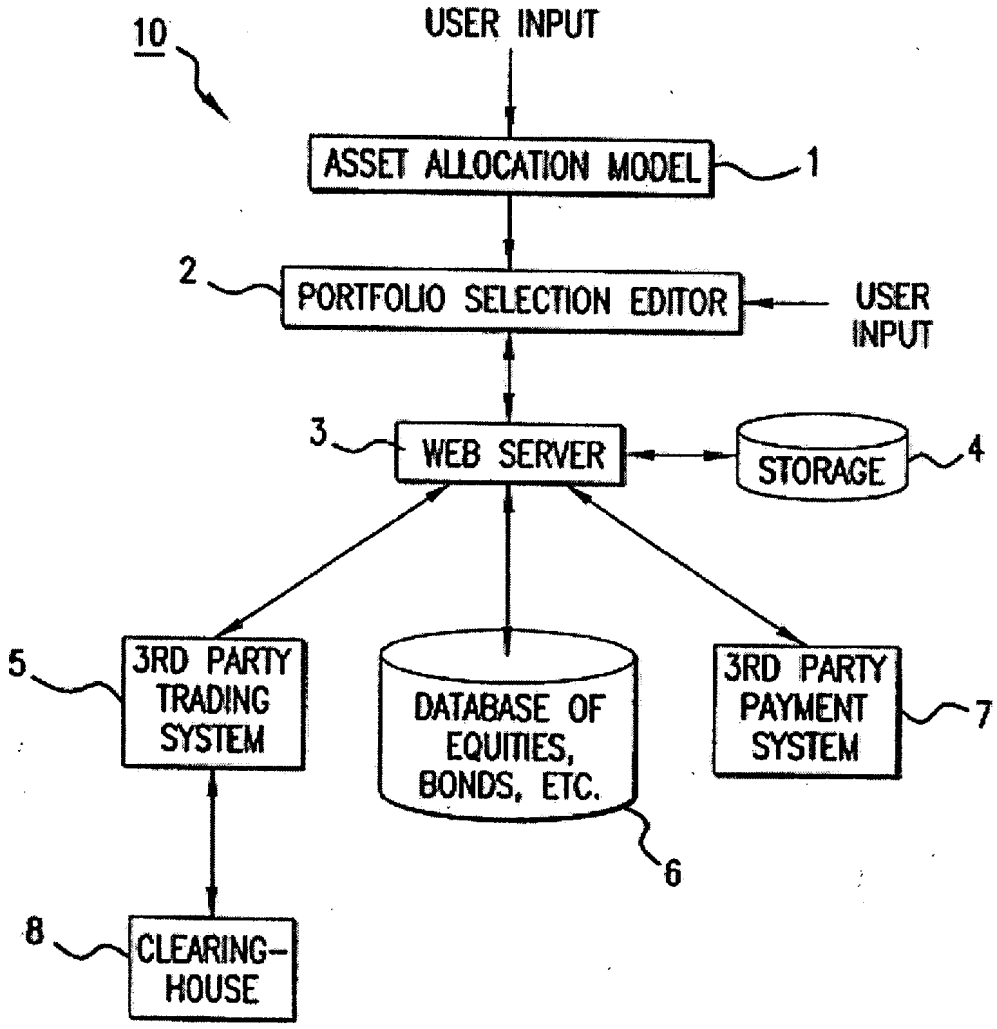


FIG.1

1. YEAR OF BIRTH: _____
2. YEAR OF RETIREMENT: _____
3. MARITAL STATUS (m/s): _____
4. NUMBER OF CHILDREN: _____
5. YEAR FIRST CHILD ATTENDS COLLEGE: _____
6. YEAR SECOND CHILD ATTENDS COLLEGE: _____
7. YEAR THIRD CHILD ATTENDS COLLEGE: _____
8. YEAR FOURTH CHILD ATTENDS COLLEGE: _____
9. COST OF ONE YEAR OF COLLEGE: $_____
10. INCOME: $_____
11. LIQUID ASSETS: $_____
12. LIABILITIES: $_____
13. SPOUSE YEAR OF BIRTH: _____
14. ANNUAL INCOME NEEDED AT RETIREMENT: $_____
15. NUMBER OF LIVING PARENTS TO CARE FOR: _____
16. YEAR OF BIRTH OF FIRST LIVING PARENT: _____
17. YEAR OF BIRTH OF SECOND LIVING PARENT: _____
18. YEAR OF BIRTH OF THIRD LIVING PARENT: _____
19. YEAR OF BIRTH OF FOURTH LIVING PARENT: _____
20. ANNUAL COST OF CARE FOR LIVING PARENT: $_____
21. RISK FACTOR (1-10, WHERE 10 IS HIGH): _____

FIG.2

OUTPUT OF ASSET ALLOCATION MODEL

TO REACH YOUR ANNUAL INCOME AT RETIREMENT, GIVEN THE LIMITATIONS AND NEEDS YOU HAVE SPECIFIED, YOU MUST INVEST ANNUALLY IN THE FOLLOWING MANNER:

1. LONG-TERM INVESTMENTS: $20,000
2. MEDIUM-TERM INVESTMENTS: $10,000
3. SHORT-TERM INVESTMENTS: $5,000

FIG.3

PORTFOLIO SELECTION EDITOR SCREEN

1. PRICE TO EARNINGS (P/E) LIMIT: _____
2. CAPITALIZATION FLOOR ($MILLIONS): _____
3. SPECIFIC SECTORS
    a. TELECOMMUNICATIONS: _____
    b. SOFTWARE: _____
    c. COMPUTER: _____
    d. MANUFACTURING: _____
    e. CHEMICAL: _____
    f. BANKING: _____
    g. TRANSPORTATION: _____
    h. MEDICAL: _____
    i. INSURANCE: _____
    j. REAL ESTATE: _____
    k. ENTERTAINMENT: _____
    l. OIL: _____
    m. ENERGY: _____
    n. UTILITIES: _____
4. EXCLUDE COMPANIES WITH NEGATIVE MANAGEMENT PRACTICES (SEE DEFINITION IN HELP): ____
5. EXCLUDE COMPANIES WITH NEGATIVE LABOR PRACTICES (SEE DEFINITION IN HELP): _____
6. EXCLUDE COMPANIES WITHOUT ORGANIZED LABOR WORKFORCES: _____
7. INCLUDE EMPLOYEE OWNED COMPANIES: _____
8. INCLUDE ENVIRONMENTALLY GREEN COMPANIES: _____
9. INCLUDE ONLY DOMESTIC COMPANIES: _____
10. INCLUDE FOREIGN COMPANIES: _____
11. RISK LIMIT RELATIVE TO S&P 500: _____
12. RATE OF RETURN LIMITATION RELATIVE TO S&P 500: _____

FIG.4A

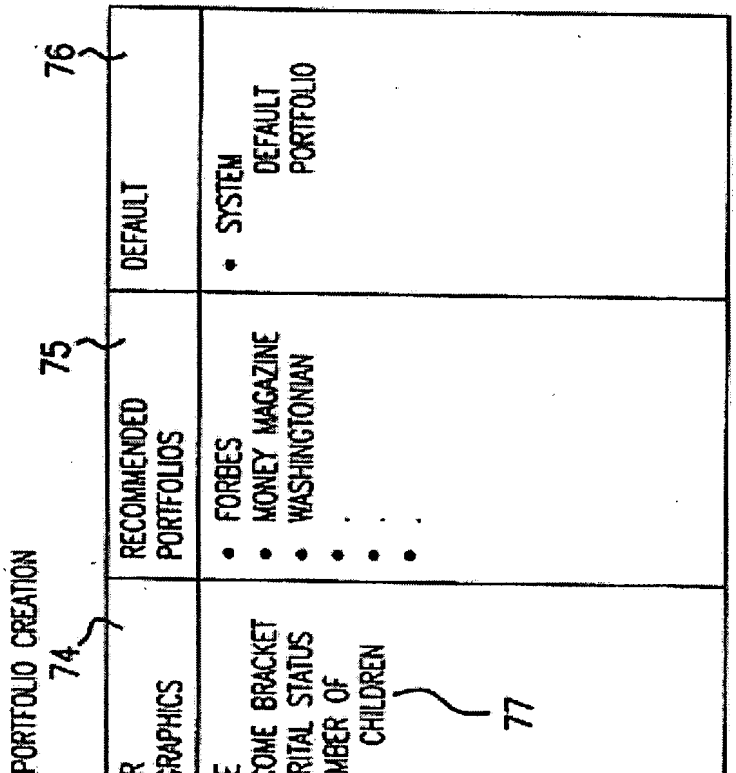

CATEGORIES OF STARTING POINTS FOR PORTFOLIO CREATION
71
72
73
74
75
76
77
70
INDICES & STRATEGIES
AFFINITY GROUPS
TYPES OF STOCKS
SIMILAR DEMOGRAPHICS
RECOMMENDED PORTFOLIOS
DEFAULT
• S&P 500
• DOW JONES 30 INDUSTRIALS
• RUSSELL 2000
• 10 UNDERPER-FORMING STOCKS OF THE DOW
• CEO's
• CFO's
• FUND MANAGERS
• STOCKBROKERS
• LAWYERS IN D.C.
• UNIONS
• CHARITIES
• ENGINEERS IN SILICON VALLEY
• LARGE CAPS
• SMALL CAPS
• ASIAN STOCKS ON NYSE
• UNDER PERFORMING STOCKS
• HIGH TECH STOCKS
• AGE
• INCOME BRACKET
• MARITAL STATUS
• NUMBER OF CHILDREN
• FORBES
• MONEY MAGAZINE
• WASHINGTONIAN
• SYSTEM DEFAULT PORTFOLIO

FIG.4B

COMPANY	RISK RELATIVE TO S&P 500 (TWELVE MONTH VALUES)	DIFFERENTIAL RATE OF RETURN RELATIVE TO S&P 500 (LAST 12 MONTHS)
1. COMPANY A (2.5%)	0.91	-10%
2. COMPANY B (2.5%)	0.89	-11%
3. COMPANY C (2.5%)	0.95	-5%
4. COMPANY D (2.5%)	0.94	-6%
5. COMPANY E (2.5%)	0.93	-7%
6. COMPANY F (2.5%)	0.98	-2%
7. COMPANY G (2.5%)	1.10	+10%
8. COMPANY H (2.5%)	1.12	+12%
9. COMPANY I (2.5%)	0.95	-4%
10. COMPANY J (2.5%)	0.90	-10%
11. COMPANY K (2.5%)	0.70	-20%
12. COMPANY L (2.5%)	1.13	+11%
13. COMPANY M (2.5%)	1.5	+20%
14. COMPANY N (2.5%)	0.8	-15%
15. COMPANY O (2.5%)	1.4	+12%
16. COMPANY P (2.5%)	1.2	+10%
17. COMPANY Q (2.5%)	1.01	+1%
18. COMPANY R (2.5%)	0.99	-0.1%
19. COMPANY S (2.5%)	1.15	+12%
20. COMPANY T (2.5%)	1.7	+25%
21. COMPANY U (2.5%)	1.72	+26%
22. COMPANY V (2.5%)	1.55	+20%
23. COMPANY W (2.5%)	0.88	-10%
24. COMPANY X (2.5%)	0.77	-15%
25. COMPANY Y (2.5%)	0.99	-1%
26. COMPANY Z (2.5%)	1.22	+18%
27. COMPANY AA (2.5%)	1.33	+22%
28. COMPANY AB (2.5%)	0.88	-11%
29. COMPANY AC (2.5%)	0.9	-1%
30. COMPANY AD (2.5%)	1.14	+11%
31. COMPANY AE (2.5%)	1.9	+29%
32. COMPANY AF (2.5%)	0.6	-30%
33. COMPANY AG (2.5%)	0.77	-15%
34. COMPANY AH (2.5%)	0.9	-10%
35. COMPANY AI (2.5%)	0.92	-8%
36. COMPANY AJ (2.5%)	0.91	-9%
37. COMPANY AK (2.5%)	0.6	-30%
38. COMPANY AL (2.5%)	1.15	+10%
39. COMPANY AM (2.5%)	1.55	+25%
40. COMPANY AN (2.5%)	1.91	+30%

FIG.5

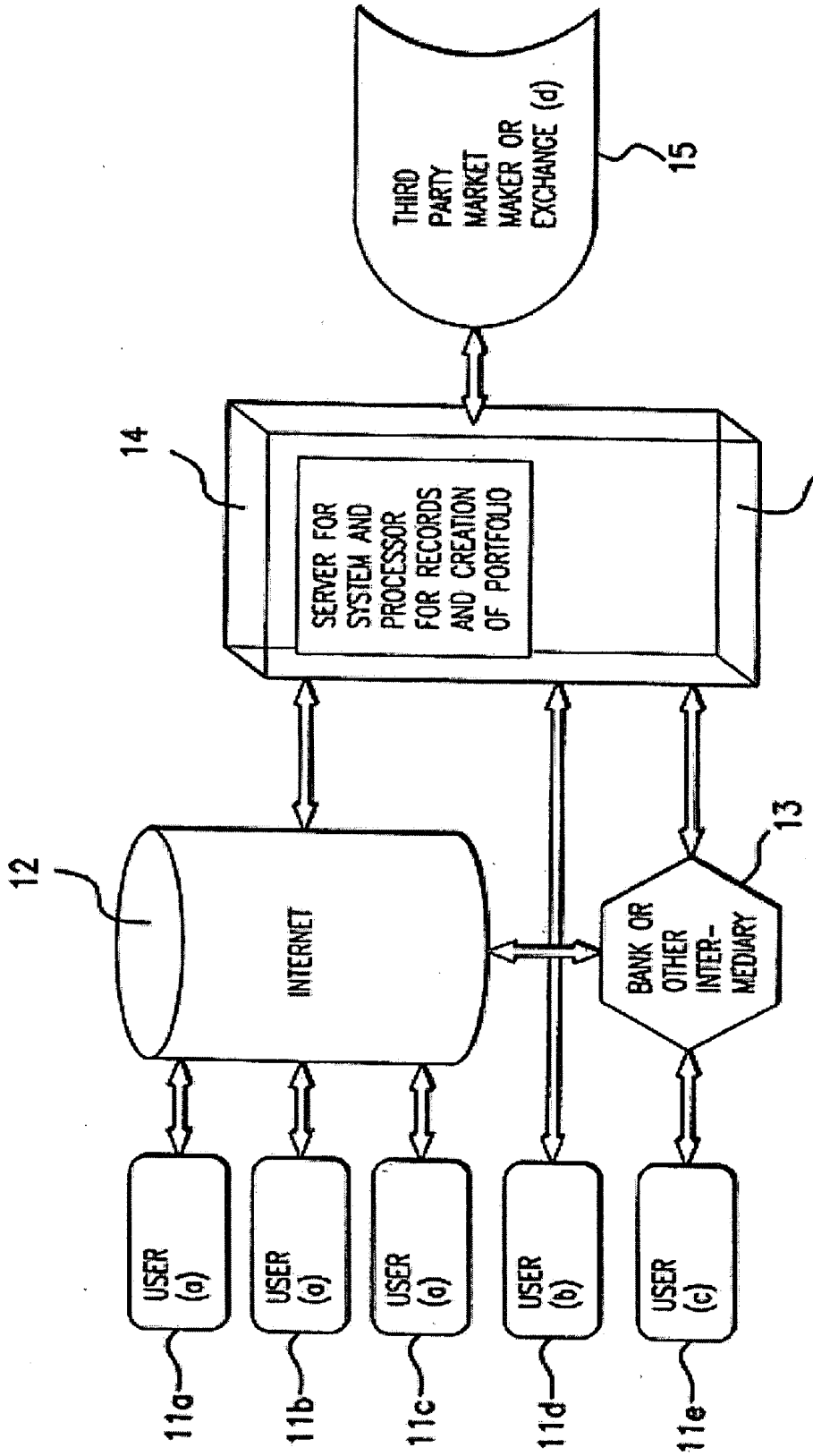

THIRD PARTY MARKET MAKER OR EXCHANGE (d)
15
14
SERVER FOR SYSTEM AND PROCESSOR FOR RECORDS AND CREATION OF PORTFOLIO
14
12
INTERNET
13
BANK OR OTHER INTER-MEDIARY
USER (a)
USER (a)
USER (a)
USER (b)
USER (c)
11a
11b
11c
11d
11e

FIG.6

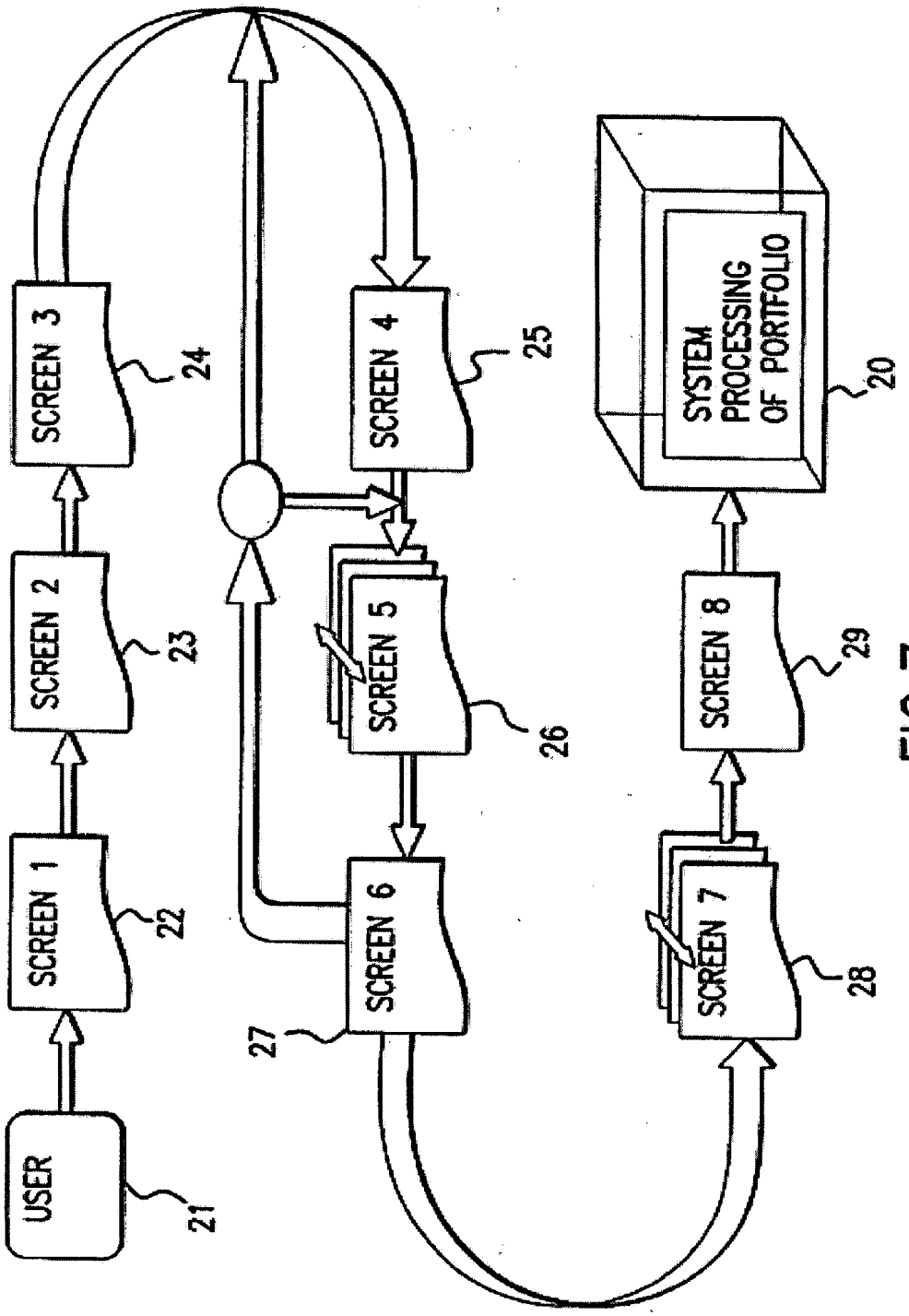

USER
21
SCREEN 1
22
SCREEN 2
23
SCREEN 3
24
SCREEN 4
25
SCREEN 5
26
SCREEN 6
27
SCREEN 7
28
SCREEN 8
29
SYSTEM PROCESSING OF PORTFOLIO
20

FIG.7

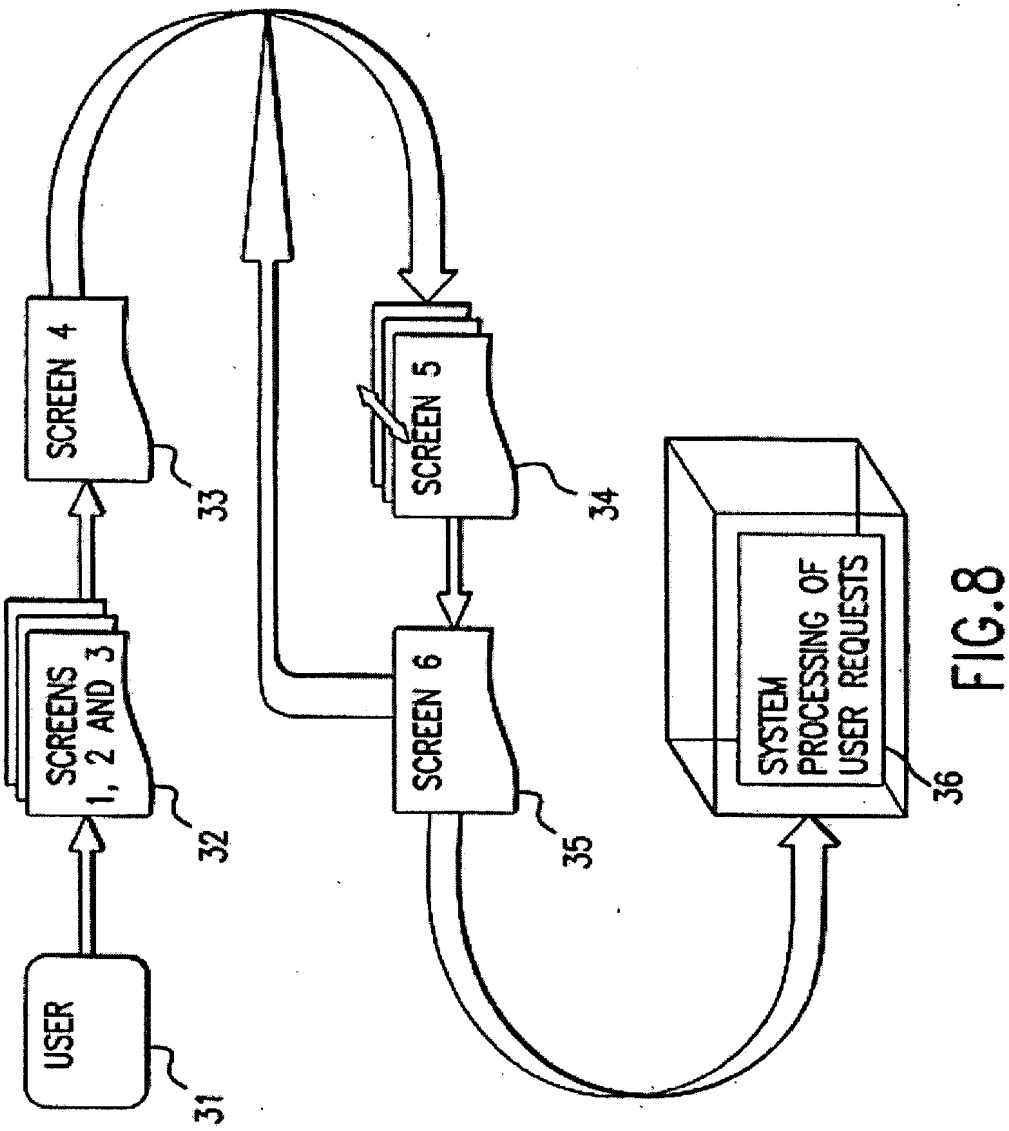

USER
31
SCREENS 1, 2 AND 3
32
SCREEN 4
33
SCREEN 5
34
SCREEN 6
35
SYSTEM PROCESSING OF USER REQUESTS
36

FIG.8

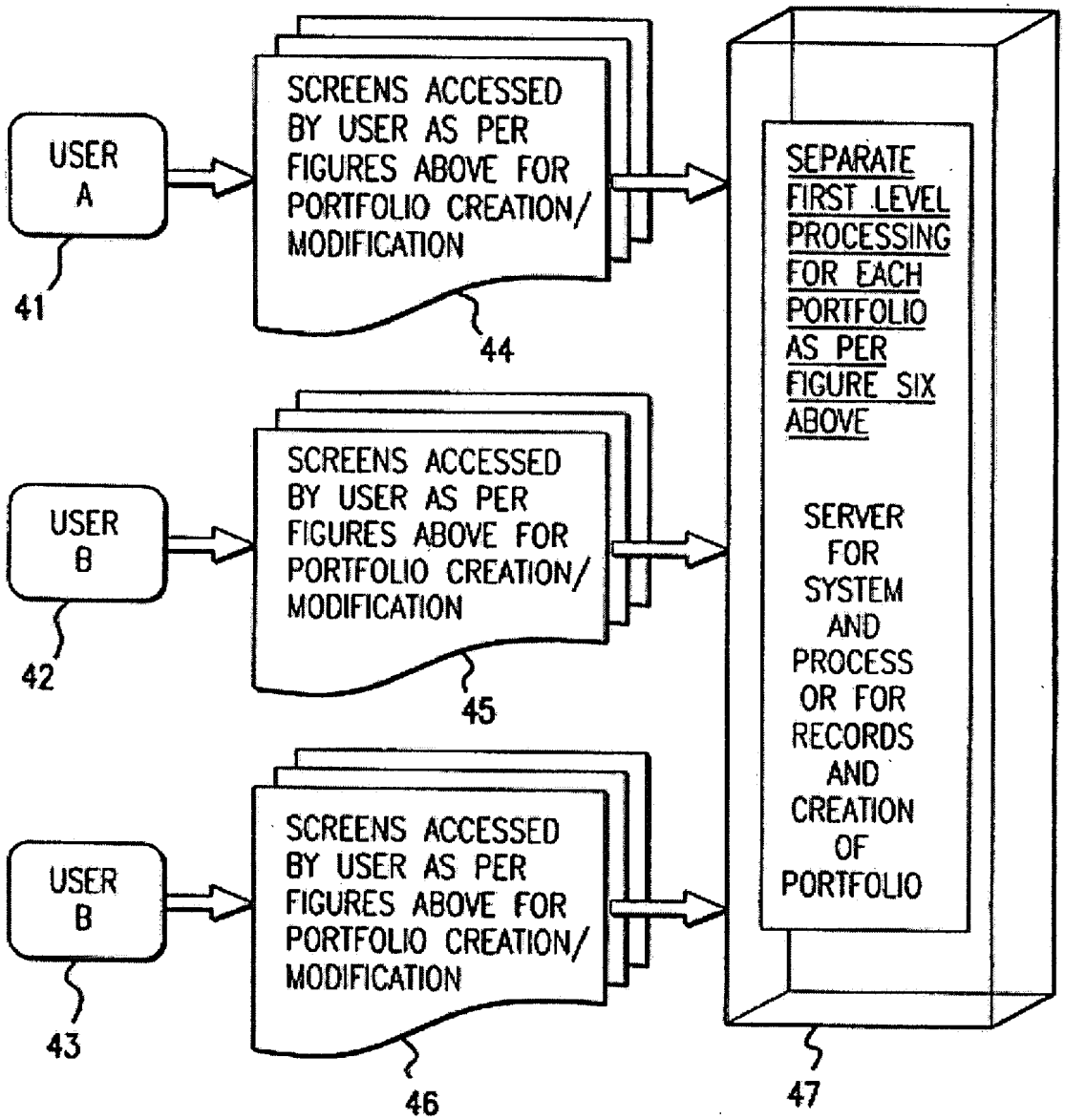

USER A
41
SCREENS ACCESSED BY USER AS PER FIGURES ABOVE FOR PORTFOLIO CREATION/ MODIFICATION
44
USER B
42
SCREENS ACCESSED BY USER AS PER FIGURES ABOVE FOR PORTFOLIO CREATION/ MODIFICATION
45
USER B
43
SCREENS ACCESSED BY USER AS PER FIGURES ABOVE FOR PORTFOLIO CREATION/ MODIFICATION
46
SEPARATE FIRST LEVEL PROCESSING FOR EACH PORTFOLIO AS PER FIGURE SIX ABOVE
SERVER FOR SYSTEM AND PROCESS OR FOR RECORDS AND CREATION OF PORTFOLIO
47

FIG.9

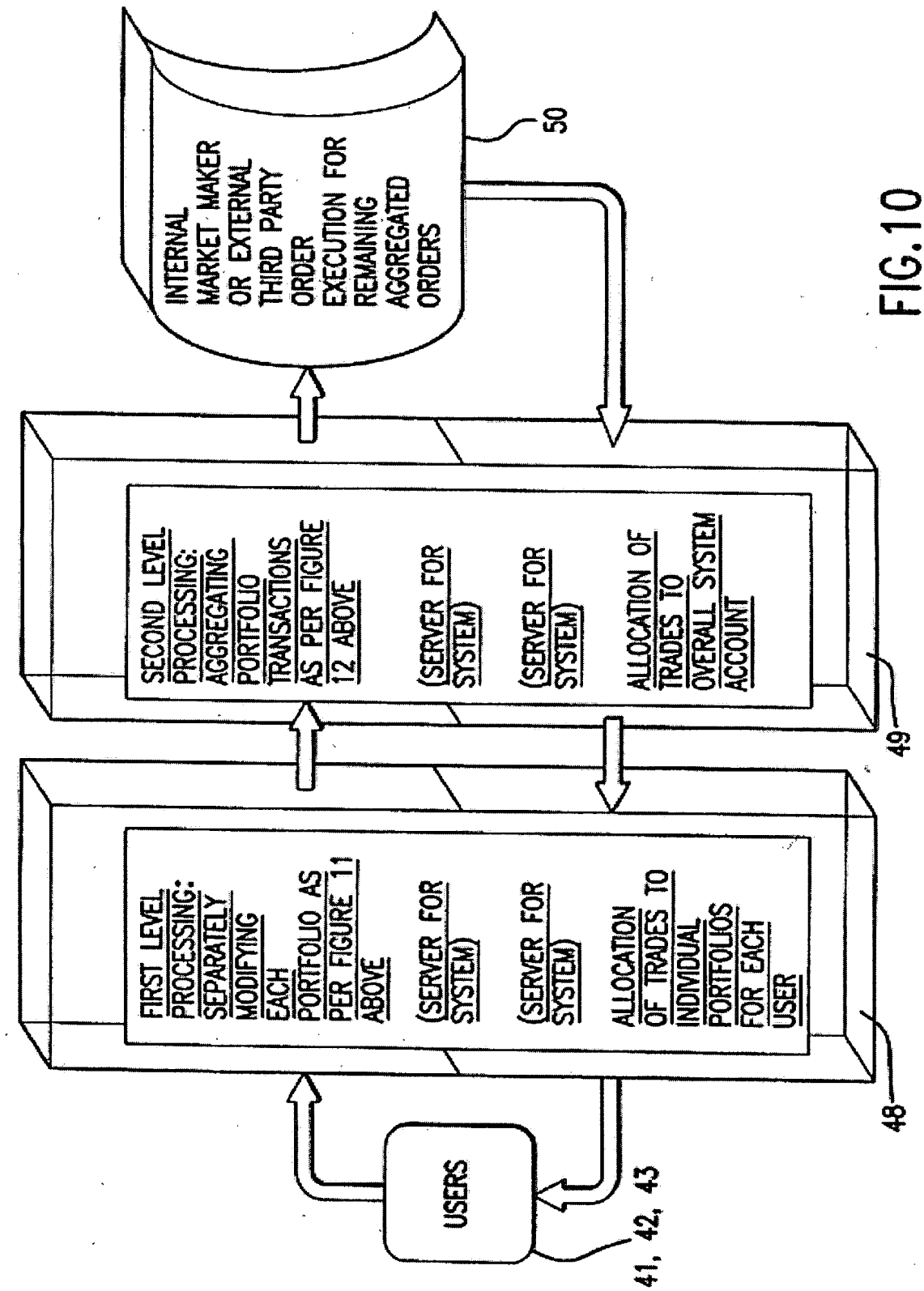

INTERNAL MARKET MAKER OR EXTERNAL THIRD PARTY ORDER EXECUTION FOR REMAINING AGGREGATED ORDERS
50
SECOND LEVEL PROCESSING: AGGREGATING PORTFOLIO TRANSACTIONS AS PER FIGURE 12 ABOVE
(SERVER FOR SYSTEM)
(SERVER FOR SYSTEM)
ALLOCATION OF TRADES TO OVERALL SYSTEM ACCOUNT
49
FIRST LEVEL PROCESSING: SEPARATELY MODIFYING EACH PORTFOLIO AS PER FIGURE 11 ABOVE
(SERVER FOR SYSTEM)
(SERVER FOR SYSTEM)
ALLOCATION OF TRADES TO INDIVIDUAL PORTFOLIOS FOR EACH USER
48
USERS
41, 42, 43

FIG.10

SAMPLE RESULTS FROM
USER SELECTIONS AND INDIVIDUAL PORTFOLIO PROCESSING
AS PER FIG 10(48)

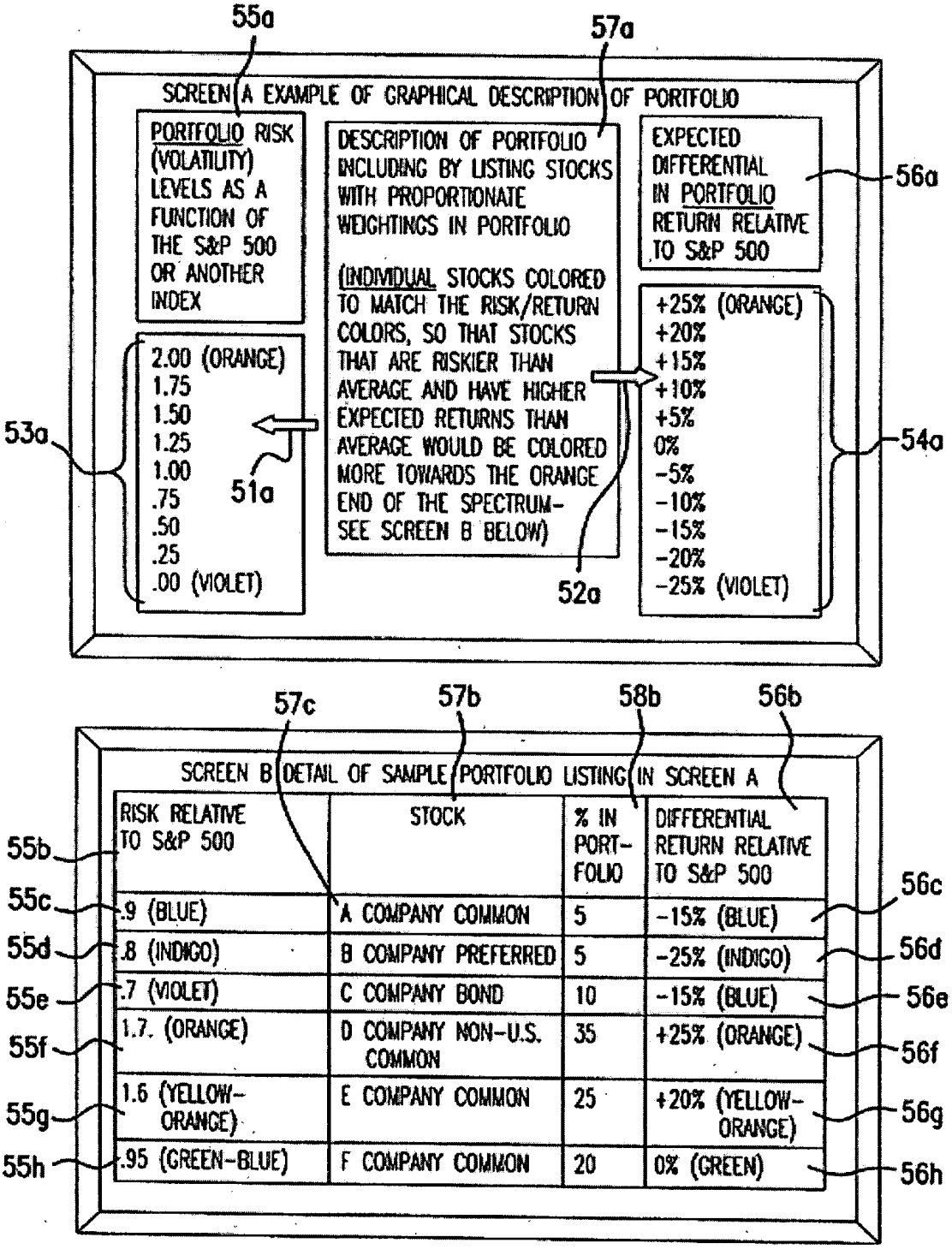
USER BY RESULT OF PORTFOLIO ADJUSTMENT	SECURITY A		SECURITY B		SECURITY C	
	BUY	SELL	BUY	SELL	BUY	SELL
USER A	100		200		100	
USER B		50		50		100
USER C	150			150		50
NUMBER OF TRADES UNDER TRADITIONAL BROKERAGE; TOTAL=9	2	1	1	2	1	2

FIG.11

SAMPLE RESULTS FROM
AGGREGATION OF INDIVIDUAL PORTFOLIOS PROCESSED THROUGH THE
PRESENT INVENTION'S ALGORITHM'S USED IN FIG 10(49)

TOTALS	250	50	200	200	100	150
NET USER TRADES	200		0			50
NUMBER OF TRADES WITH THE PRESENT INVENTION (NO NETTING)	1	1	1	1	1	1
NETTED=2	1					1

FIG.12



RISK RELATIVE TO S&P 500	STOCK	% IN PORT-FOLIO	DIFFERENTIAL RETURN RELATIVE TO S&P 500
.9 (BLUE)	A COMPANY COMMON	5	-15% (BLUE)
.8 (INDIGO)	B COMPANY PREFERRED	5	-25% (INDIGO)
.7 (VIOLET)	C COMPANY BOND	10	-15% (BLUE)
1.7. (ORANGE)	D COMPANY NON-U.S. COMMON	35	+25% (ORANGE)
1.6 (YELLOW-ORANGE)	E COMPANY COMMON	25	+20% (YELLOW-ORANGE)
.95 (GREEN-BLUE)	F COMPANY COMMON	20	0% (GREEN)

FIG.13

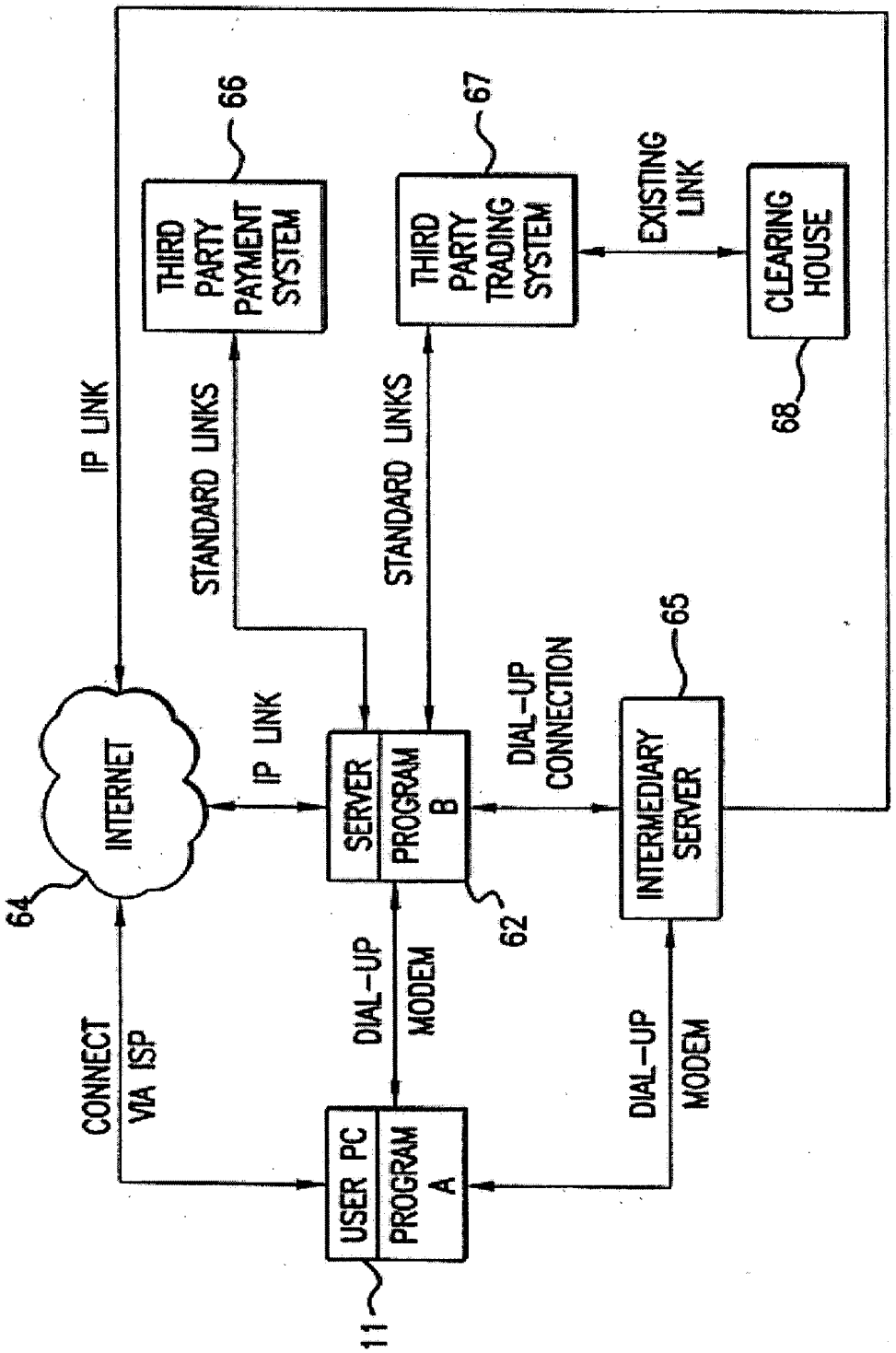

THIRD PARTY PAYMENT SYSTEM
66
THIRD PARTY TRADING SYSTEM
67
EXISTING LINK
CLEARING HOUSE
68
IP LINK
STANDARD LINKS
STANDARD LINKS
INTERNET
64
IP LINK
SERVER PROGRAM B
62
DIAL-UP CONNECTION
65
INTERMEDIARY SERVER
CONNECT VIA ISP
DIAL-UP MODEM
DIAL-UP MODEM
USER PC PROGRAM A
11

FIG.14

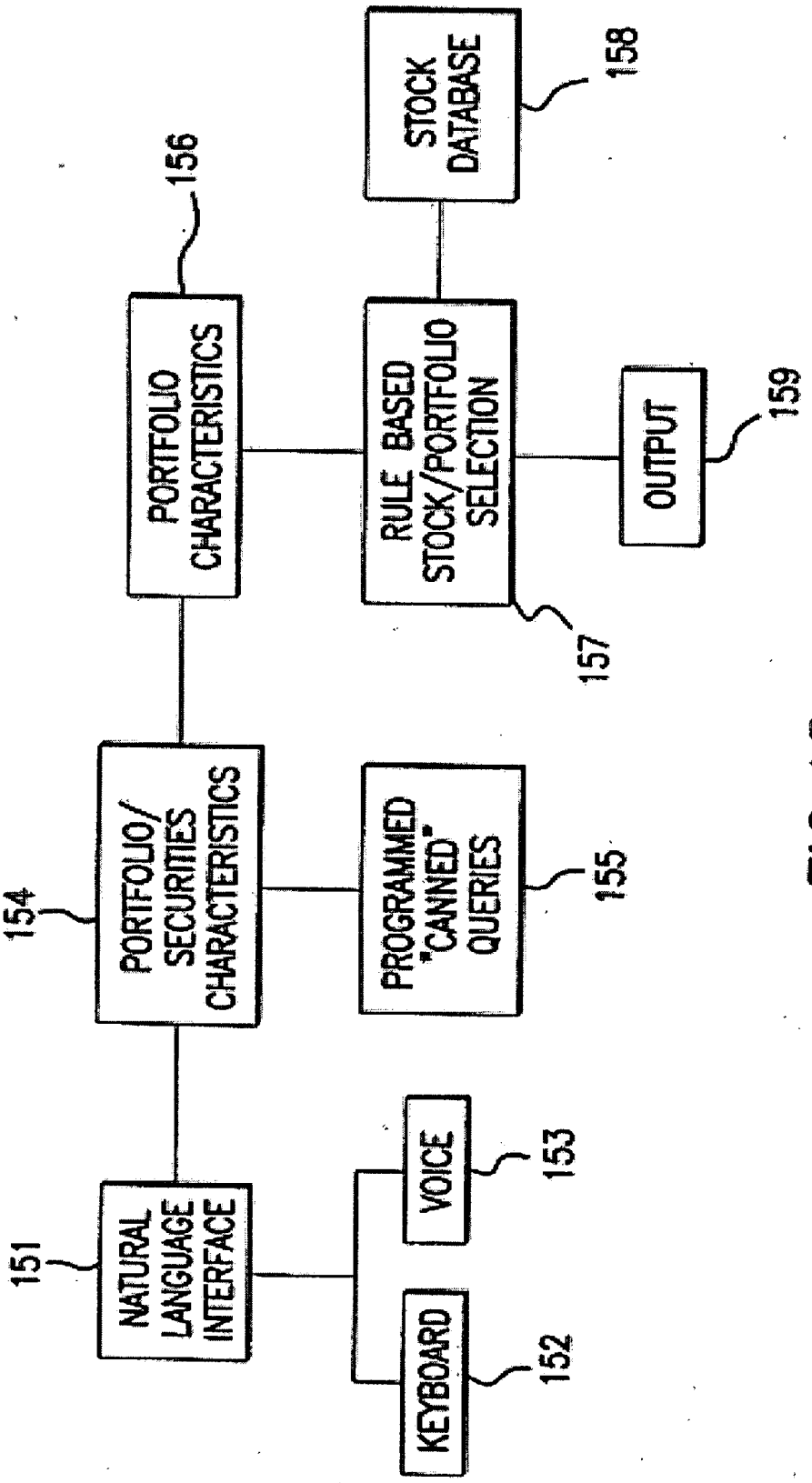

KEYBOARD
VOICE
NATURAL LANGUAGE INTERFACE
PORTFOLIO/ SECURITIES CHARACTERISTICS
PROGRAMMED "CANNED" QUERIES
PORTFOLIO CHARACTERISTICS
RULE BASED STOCK/PORTFOLIO SELECTION
OUTPUT
STOCK DATABASE
151
152
153
154
155
156
157
158
159

FIG. 15

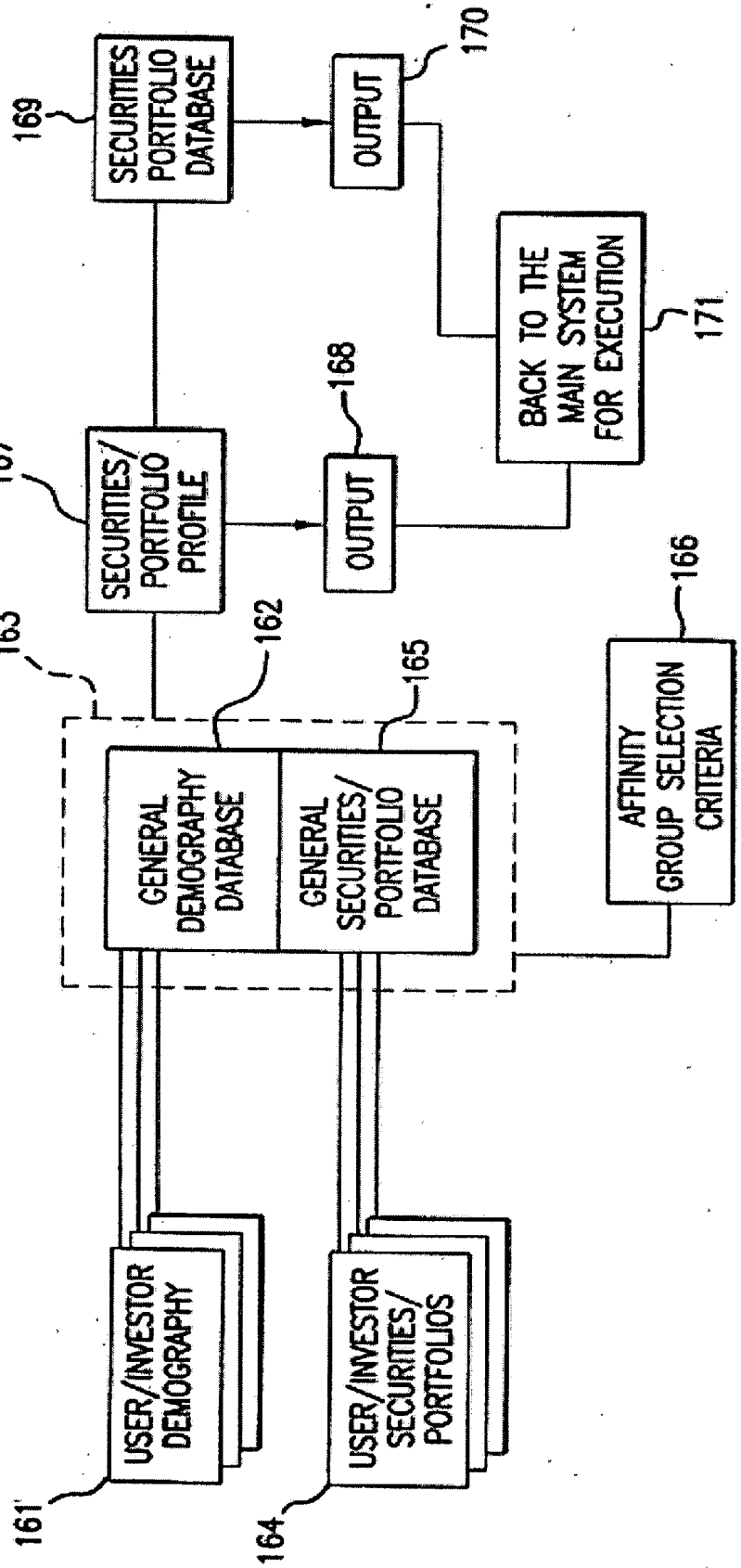

SECURITIES PORTFOLIO DATABASE
169
OUTPUT
170
BACK TO THE MAIN SYSTEM FOR EXECUTION
171
SECURITIES/ PORTFOLIO PROFILE
167
OUTPUT
168
AFFINITY GROUP SELECTION CRITERIA
166
163
162
165
GENERAL DEMOGRAPHY DATABASE
GENERAL SECURITIES/ PORTFOLIO DATABASE
USER/INVESTOR DEMOGRAPHY
161
USER/INVESTOR SECURITIES/ PORTFOLIOS
164

FIG.16

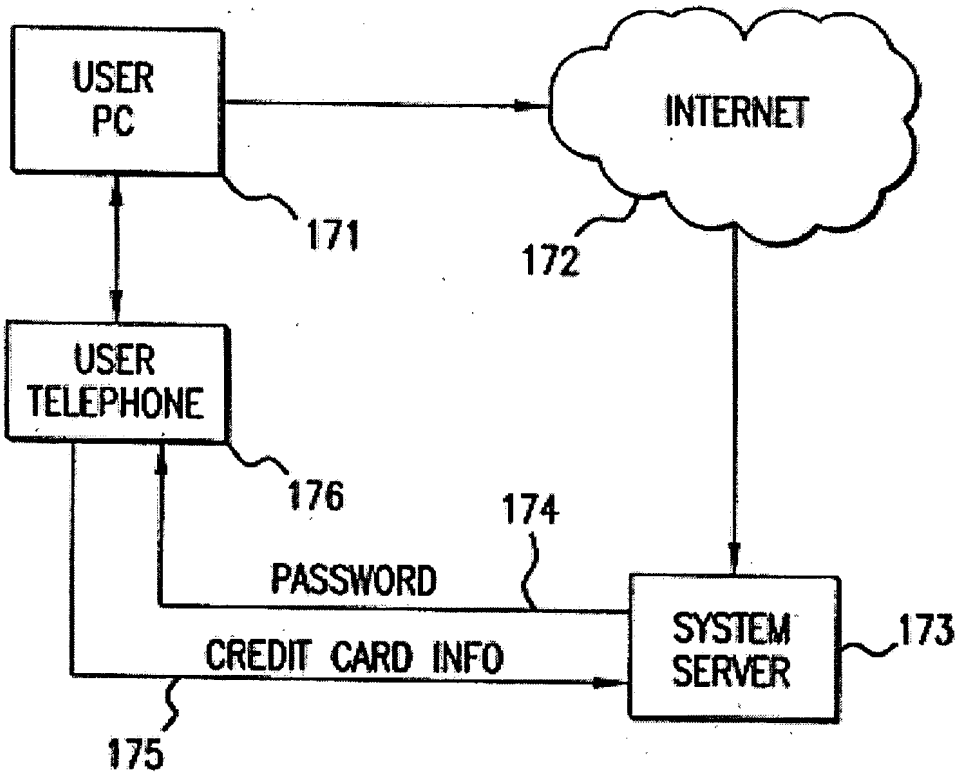

USER PC
INTERNET
171
172
USER TELEPHONE
176
174
PASSWORD
SYSTEM SERVER
173
CREDIT CARD INFO
175

FIG.17

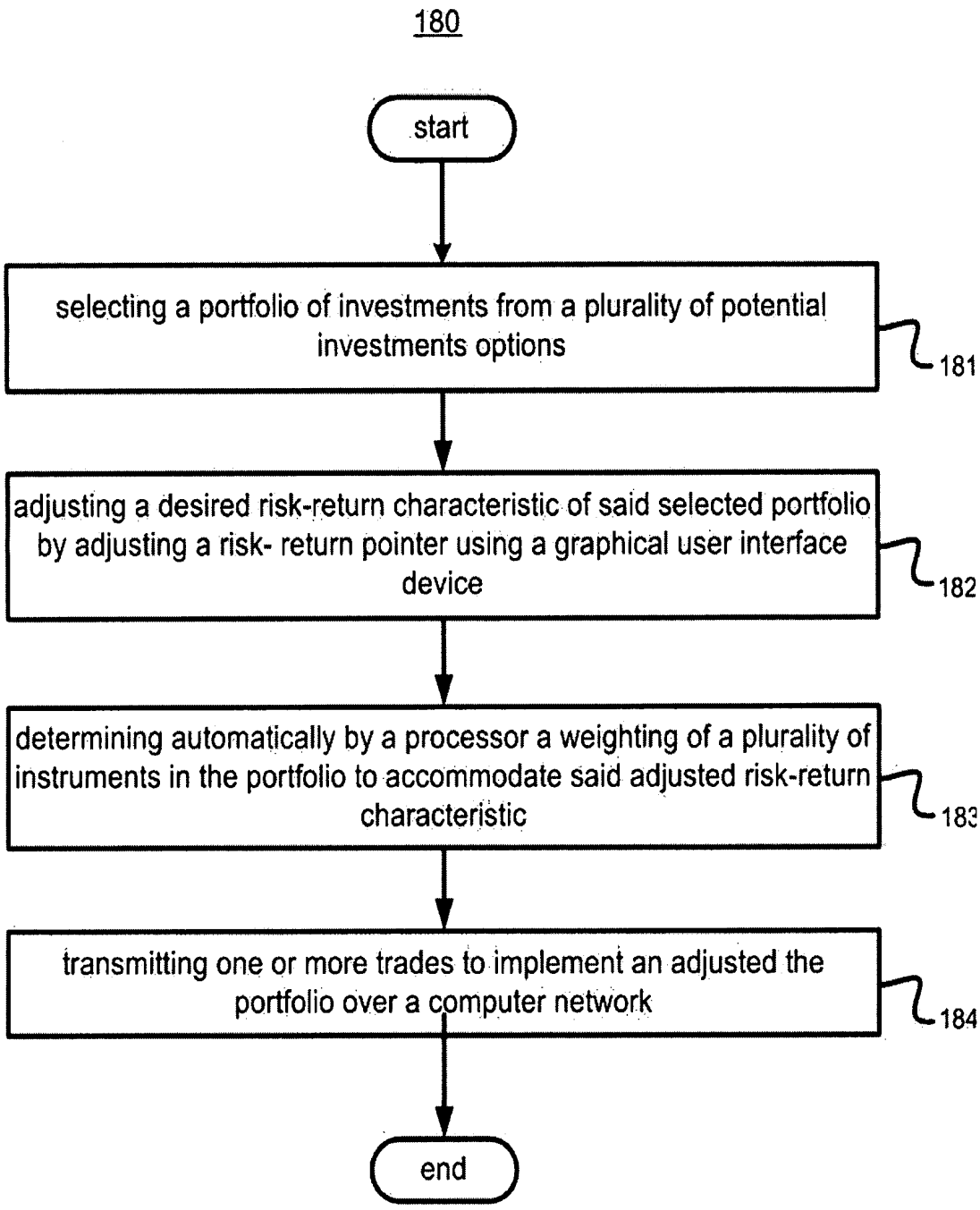

180
start
selecting a portfolio of investments from a plurality of potential investments options
181
adjusting a desired risk-return characteristic of said selected portfolio by adjusting a risk- return pointer using a graphical user interface device
182
determining automatically by a processor a weighting of a plurality of instruments in the portfolio to accommodate said adjusted risk-return characteristic
183
transmitting one or more trades to implement an adjusted the portfolio over a computer network
184
end

FIG 18